



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENTS OF EDUCATION AND PUBLIC WELFARE

October 15, 2012

Dear Provider,

EFFECTIVE JANUARY 1, 2013, SUBSIDY PAYMENT RATES FOR ALL PROVIDERS WILL CHANGE. PLEASE READ FOR FURTHER INFORMATION.

Keystone STARS is one of the largest and most mature quality rating and improvement systems in the nation. Having just celebrated its 10 year anniversary, the Keystone STARS program must now focus on ensuring access for our most vulnerable children and families. You may have heard of the *Rising STARS Initiative* announced in the *BUILD Newsletter* dated September 26, 2012. Rising STARS is a state initiative to serve more at-risk children in Keystone STARS 2, 3, and 4 programs.

In this new initiative, the Maximum Child Care Allowance (MCCA) will be slightly lowered for all providers. The MCCA represents the daily maximum amount the Child Care Information Services (CCIS) will pay to providers who participate in the subsidized child care program. Specifically, the full-time MCCA will be reduced by \$0.35 per day and the part-time MCCA will be reduced by \$0.20 per day. However, providers that participate in Keystone STARS will receive a tiered reimbursement add-on rate that will protect them from the rate reduction.

STAR 1 providers will receive tiered amounts that will reinstate \$0.35 for full-time children and \$0.15 for part-time children. Keystone STARS 2, 3 and 4 providers will receive tiered reimbursement rates at or above the previous levels. Also, as part of this initiative to support high quality care, the *Start with STARS* category has been eliminated.

The Regional Keys will be offering support to any non-STARS or *Start with STARS* provider who is interested in moving to STAR 1. Programs that reach a STAR 1 level will receive the tiered amount as described above. I encourage you to contact your Regional Key at your earliest convenience to discuss joining the Keystone STARS program. If you do not have contact information regarding your Regional Key please call our toll-free Helpline at (877) 4PA-KIDS (472-5437).

I hope you join me in ensuring that Pennsylvania's Keystone STARS program continues to grow and be the national model for providing high quality care to at-risk children.

Sincerely,

Barbara G. Minzenberg, Ph.D.
Deputy Secretary

BGM/dh